



**JOHN R. KASICH**  
GOVERNOR  
STATE OF OHIO

March 26, 2014

The Honorable Anthony Foxx  
Secretary  
U.S. Department of Transportation  
1200 New Jersey Ave, SE  
Washington, DC 20590

Dear Secretary Foxx,

I am respectfully writing to propose a pilot program for upcoming construction projects in Cleveland to increase minority business participation in a way that appropriately reflects the rich urban fabric of the city.

My Administration has actively sought to increase diversity in a wide variety of government programs, including highway and bridge projects administered by the Ohio Department of Transportation (ODOT). ODOT and the Federal Highway Administration worked together on the first phase of the Cleveland Innerbelt Bridge Project to achieve the highest dollar value Disadvantaged Business Enterprise (DBE) participation on any single project in its history. The project exceeded \$49 million in DBE contracts, which not only met but surpassed the 15% DBE participation goal. While we were pleased to have achieved this goal, upon examination of the distribution of work among DBE eligible contract recipients, it became apparent that participation did not reflect demographics of Cleveland.

The approximate breakdown in participation by DBE-qualified firms for phase one is as follows: 6% African American, 5% Asian, 3% Hispanic, 29% Native American and 56% non-minority women. By comparison, the population of the city of Cleveland is 53.3% African American, 1.8% Asian, 10% Hispanic .3% American Indian and 33.4% non-minority according to the United States Census Bureau.

ODOT began implementing a program for the second phase of the Cleveland Innerbelt Bridge project to increase minority business participation in a meaningful, substantive and representative manner. Some strategies include focused outreach, expanded training opportunities and technical assistance, mentoring programs and reimbursement for some costs associated with becoming prequalified to work on ODOT projects.

While I believe these strategies will have the effect of improving disadvantaged participation, more urgent steps are required to have an immediate effect on this current project.

I am requesting a waiver from you to subdivide the DBE goal on upcoming major transportation projects in Cleveland to better reflect the demographic make-up of the city. This would be consistent with 49 CFR 26.43, which allows the U.S. Secretary of Transportation to set sub-goals under certain circumstances.

I understand that setting subdivided goals is unusual. However, I believe that it is necessary in this case because no other method could be reasonably expected to redress the significant disparate outcomes.

I look forward to working with you on safe, vibrant construction projects reflective of one of America's great cities and request the opportunity for me and members of my administration to meet with you to discuss this further.

Sincerely,



John R. Kasich  
Governor

cc: The Honorable Marcia Fudge, Member of Congress  
cc: The Honorable Bill Patmon, Ohio House of Representatives  
cc: The Honorable Frank Jackson, Mayor of Cleveland